

## **The Build Health Care Equipment in America Act**

The coronavirus pandemic has made it painfully clear that America must reevaluate our supply chain for medical equipment. The wealthiest nation in the world should not be reliant on other nations to ensure our frontline workers are kept safe from the disease our nation is battling. Much needed medical supplies like tests, personal protective equipment (PPE), and treatments should be manufactured in America.

Senator Jones' plan encourages businesses to repurpose existing facilities or build new ones to make medical equipment to battle the coronavirus in America.

### **1. Deductions for Facilities Manufacturing items to Fight COVID-19**

Since fighting the coronavirus will involve investing in property, machinery, and other costly tools to make qualified medical equipment, depreciation can be used to write off the cost of an asset over its useful life, or the number of years it's used in the business. To encourage investment, bonus depreciation is a way to accelerate depreciation for tax purposes and allows a business to write off more of the cost of an asset in the year the company starts using it.

Companies would be incentivized to repurpose buildings solely for production or manufacturing COVID-19 medical equipment by getting a deduction worth half of the costs attributable to repurposing and building facilities. In rural areas, the deduction would be worth two-thirds of the costs.

The provision applies to companies that rehabilitate, refurbish, or reequip any facility which was originally placed in service before the date of enactment to allow such facility to produce or manufacture COVID-19 medical equipment like masks, PPE, and ventilators.

This provision extends the Bonus Depreciation included in the Tax Cuts and Jobs Act from its current sunset in 2022 to 2027 to allow companies more flexibility in making these much needed investments in new equipment needed for repurposing a facility.

**The purpose of the provision is to encourage businesses large and small to join the fight in combatting this awful epidemic.**

### **2. Health Care Workforce Credit - Support for Employers for Retraining Workers in Declining Occupations**

Many workers have been left behind by trade and technology, unable to keep up with the new skills required for the newly created jobs. The fight against the coronavirus highlights the need for more to join the healthcare workforce.

A tax credit could be given to employers worth the payroll taxes paid on employees that previously worked in a declining field and are retrained in a new skilled healthcare profession.

A declining field is defined as an occupation or field of work that the Treasury Secretary determines, according to data provided by BLS, has declined by more than 8 percent on average over a three year period. A list of the fastest declining occupations can be found [here](#).

A new skilled profession would include health care, technology and others according to similar data provided by [BLS](#). Our nation is in need of investment in people who can become bring much needed skills to communities across the nation.

**The purpose of the provision is to encourage employers to hire people working in dying occupations made obsolete by technology, globalization, or various shifts in the economy and make it easier for them to change careers into healthcare manufacturing.**

### **3. Enhanced Education Tax Benefits for Medical Professionals in Short Supply.**

The provision increases the caps on the deduction for college expenses (from \$4,000 to \$8,000), the student loan interest deduction (from \$2,500 to \$8,000), and employer-provided education assistance, including tuition assistance and assistance with repaying student loan debt, (from \$5,250 to \$15,000) for professionals in a short supply field related to healthcare workers and medical manufacturing.

**The purpose of the provision is to help close the skills gap through enhanced education tax benefits for professionals in short supply in the healthcare field.**

### **4. Create a 21<sup>st</sup> Century Technology Infrastructure Fund**

In order to succeed in the 21<sup>st</sup> Century, our nation needs to make investments in America's technology infrastructure. Many lack sufficient internet access which is especially challenging for rural America to attract employers. For instance, there is an entire county in Alabama without broadband.

Rural America needs broadband Internet access just as electricity was once needed to light our nation.

The 21st Century Technology Infrastructure Fund will offer grants to communities to improve broadband access around facilities they are hoping to use as health care manufacturing sites, making these sites more attractive to employers.

**The purpose of the provision is for America to invest in 21<sup>st</sup> Century technology infrastructure and compete to meet the demands of pandemic response.**